

Parking Management: Where it Can Take You



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An Evolving Industry



IMPACTS OF CONGESTION

- *“The region’s economy is transportation-dependent.”*
- *“Congestion threatens the region’s economic vitality.”*
- *“Businesses are reporting that traffic congestion is costing them money.”*
- *“Failure to invest adequately in transportation improvements will result in a loss valued at \$844 million annually by 2025 – that’s \$782 per household and 6,500 jobs.”*

Findings of *The Cost of Congestion to the Economy of the Portland Region*, Metro, Portland Business Alliance, Port of Portland and ODOT, December 5, 2005.



STOP and Ask Yourself



- ✓ What is the “right size” of parking development?
- ✓ What is the true value of a parking space?
- ✓ Who/whom is my priority customer?
- ✓ What are the trade offs I must make to assure that my priority customer is accommodated?
- ✓ Because I am a parking professional, are parking stalls the only tool in my tool box as I manage access and capacity?

1,000,000 New People A New Paradigm for Access



Growth Affects Access and..... Parking?

POPULATION GROWTH – PORTLAND/VANCOUVER METRO				
1972	2004	% Change	2030	% Change
1,108,660	2,062,109	86%	3,043,174	48%

Source: METRO

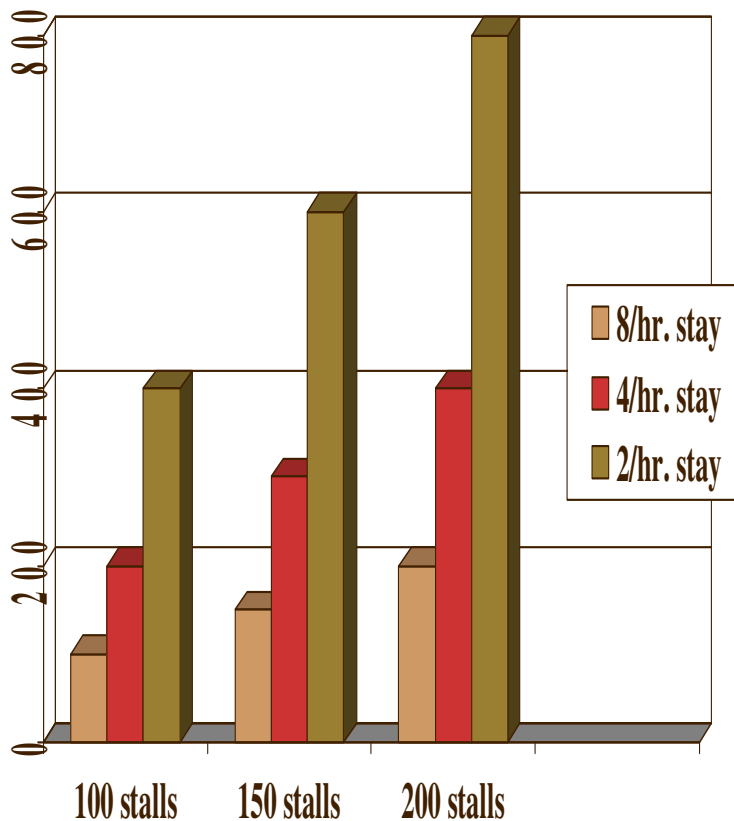
NEW JOBS AND PARKING COSTS				
Regional Jobs 2004	Estimated Jobs 2030	Net New Jobs	Parking stalls at 80% of commuters	Cost @ \$7k - \$20k per stall
1,076,412	1,5824,450	506,038	404,830	\$2.80 - \$8.00 B

Source: *ReThinking Portland* & RWC

**Commuter parking development cost of \$113 - \$324 million per
year**

Physical vs. Functional Capacity

Getting to the “Right Size”



- ✓ Physical Capacity = built supply
- ✓ Functional Capacity = managed supply
- ✓ Managing Turnover maximizes access & capacity

Right Sizing

Traditional “Status Quo” Project Demand Proforma				
New Commercial SF	New Retail SF	Estimated # of Employees	Original Parking Proforma Stalls	Stalls per 1,000 sf
295,000 SF	225,000 SF	1405	1500	2.99/1,000 SF

“Right Size” Project Demand Proforma				
Transit/Bike/Walk MS in area	SOV/Rideshare MS in area	Estimated Employee Peak Hour Parking Demand	Right Sized Parking Proforma Stalls	Stalls per 1,000 sf
47%	53%	745	900	1.73/1,000 SF

Development Cost Savings
<600> stalls X \$24,500 per stall = \$14.7 million

Parking – Required to Actual Demand

City	Minimum Requirement/ 1,000 SF Or Built Supply	Actual Demand/1,000 SF	Peak Weekday Occupancy	Primary Mix of the Parking Supply	Add Cost @ \$25,000 w/ 100K SF
Beaverton, OR	4.0+	1.85 – 2.15	45%	Surface Lots	\$4.6 - \$5.3 mil
Bend, OR	3.0	1.7 – 1.9	74%	Surface/ 1 garage	\$3.0 mil
Corvallis, OR	2.0	1.50	70%	Surface Lots	\$1.25 mil
Hillsboro, OR	3.00	1.64	50%	Garages/Lots	\$3.4 mil
Kirkland, WA	2.50	2.0	92%	Garage/Lots	\$1.25 mil
Sac. CA	2.00	1.60	67%	Garages/Lots	\$1.0 mil
Salem, OR	3.15	2.04	70%	Garages/Lots	\$2.78 mil
Seattle, WA (SLU)	2.50	1.75	70%	Garages/Lots	\$1.87 mil

The Cost of Parking

Typical Development Costs Per Parking Space

Location & Type	Land Costs <i>Per Acre</i>	Land Costs <i>Per Space</i>	Construction Costs <i>Per Space</i>	O & M Costs <i>Annual, Per Space</i>	Total Annualized Cost <i>Annual, Per Space</i>
Suburban, Surface	\$50,000	\$455	\$1,500	\$100	\$284
Suburban, 2-Level Structure	\$50,000	\$227	\$6,000	\$200	\$788
Urban, Surface	\$250,000	\$2,083	\$2,000	\$150	\$535
Urban, 3-Level Structure	\$250,000	\$694	\$8,000	\$250	\$1,071
Urban, Underground	\$250,000	\$0	\$20,000	\$350	\$2,238
CBD, Surface	\$1,000,000	\$7,692	\$2,500	\$200	\$1,162
CBC, 4-Level Structure	\$2,000,000	\$3,846	\$17,000	\$300	\$2,288
CBD, Underground	\$2,000,000	\$0	\$27,000	\$400	\$3,101

Real cost of structured parking -- \$190 to \$258 per month

Real cost of surface parking -- \$ 25 to \$100 per month

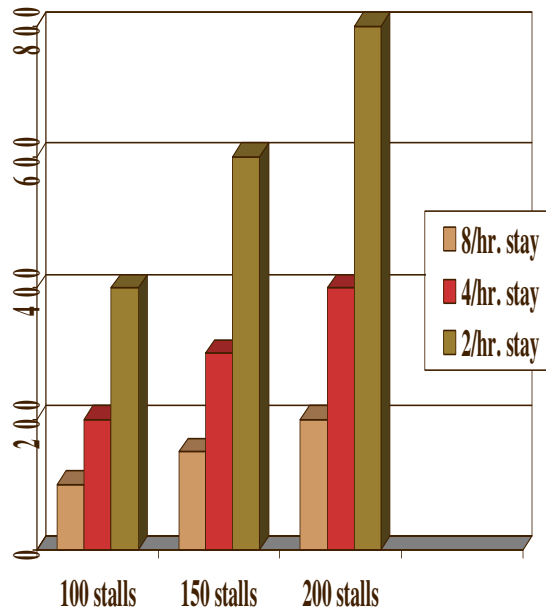
Source: Victoria Transportation Institute & Rick Williams Database

Simple Math

- Financing structured parking = \$225 per month per stall (\$21K/stall)
- Cost of UP transit pass for Lloyd District Employees = \$18/mo.
- Cost of bike parking stalls = \$75 one time cost for rack

\$600 per bike locker/one time cost

292 – 700 bike spaces/no loss
of vehicle parking



*It is less expensive to put an employee
into an alternative mode than to put
them into a parking space*

1 employee stall = 4 customer visits

Parking has Value

1,433 Parking spaces

4 Trips per space (in 8hr. workday)

5,732 Potential customer trips per day

5,732 Customer trips per day

\$20 Average amount spent by each customer/trip

\$114,640 Potential daily revenue unrealized

\$114,640 Daily revenue

300 Shopping days in a year

\$34,392,000 Total annual potential revenue unrealized

\$24,640 Annual Retail Revenue Value of a Parking Stall

\$80 Daily Revenue Value of a Parking Stall @ 4 turns

\$?? Revenue Value of an Employee Stall in?

Tools For Parking Management



- ✓ Identify/develop “champions”
- ✓ Lower/eliminate minimum parking requirements
- ✓ Establish maximum parking development standards (ratios) tied to transit/bike/walk goals
- ✓ Do not be afraid to discuss charging for parking (example: Kruse Way/Kirkland)
- ✓ Develop and adopt decision-making “triggers” (example: Salem/, Vancouver)
- ✓ Invest in multiple forms of capacity (example: Lloyd District) and create incentives (i.e., Portland bike code/ECO exemption)
- ✓ Know the market, parking priorities and quantify value.
- ✓ Use technology to improve understanding of parking and simplify parking for users.

Trade Offs: Parking Management vs Capacity Management

Higher development costs to our clients

Less land for development

Less efficient land uses

Unrealized revenue and economic value





Thank You